## Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

## In the Claims:

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- 1-9. Cancelled.
- 10. (Currently Amended) The method of claim 9 wherein step a) comprises A method of controlling the rate of an MPEG video stream to achieve a target bit rate, said method comprising the steps of:
- a) computing a rate reduction factor, wherein computing the rate reduction factor includes
  - i) setting said rate reduction factor to and a rate increase variable to 0,[[;]]
- ii) adding the size of a current frame in a frame buffer to a total size variable,[[;]]
  - iii) adding the duration of the current frame to a total delays variable,[[;]]
  - iv) calculating a current value of the number of bits in a video buffer,[[;]]
- v) if the current value of the number of bits in the video buffer is less than the lower threshold, increasing said rate reduction factor,[[;]]
- vi) if the current value of the number of bits in the video buffer is greater than the upper threshold, increasing said rate increase variable.[[;]] and
- vii) repeating steps ii) to vi) for a plurality of frames in a said frame buffer,[[.]]
  - b) computing a quantizer scale:
- c) applying the results of steps a) and b) to the encoder to achieve said target bit rate; and
  - d) repeating steps a) to c) for a plurality of frames in said video stream.

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(Original) The method of claim 10 wherein step a) further comprises the steps of: 11.

calculating a rate reduction factor for the current frame if needed, otherwise

setting a value for a channel bit rate.

(Original) The method of claim 10 wherein step b) further comprises the steps of: 12.

calculating a cumulative distribution function for each macroblock in a current i)

frame;

initializing a quantizer multiplier array; ii)

setting the quantizer scale for each macroblock in the current frame; iii)

calculating a quantizer multiply for each macroblock in the current frame; and iv)

setting a quantizer scale code for each macroblock in the current frame. vi)

13-18. Cancelled.

(Currently Amended) A computer readable medium encoded with a computer program 19.

including instructions for controlling the rate of an MPEG video stream to achieve a target bit

rate, said instructions comprising, when executed by a processing device. The medium of claim

18 wherein step a) comprises the steps of:

computing a rate reduction factor, wherein computing the rate reduction factor

includes

setting said rate reduction factor and a rate increase variable to 0,[[;]] i)

adding the size of a current frame in a frame buffer to a total size ii)

variable,[[;]]

adding the duration of said current frame to a total delays variable,[[;]] iii)

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> iv) calculating a current value of the number of bits in a video buffer,[[;]]

if the current value of the number of bits in the video buffer is less than the v)

lower threshold, increasing said rate reduction factor,[[;]]

if the current value of the number of bits in the video buffer is greater than vi)

the upper threshold, increasing said rate increase variable,[[;]] and

repeating steps ii) to vi) for a plurality of frames in said frame buffer:[[.]] vii)

b) computing a quantizer scale;

applying the results of steps a) and b) to the encoder to achieve said target bit rate;

and

repeating steps a) to c) for a plurality of frames in said video stream.

20. (Original) The medium of claim 19 wherein step a) further comprises the step of:

calculating a rate reduction factor for said current frame if needed, otherwise viii)

setting a value for a channel bit rate.

(Currently Amended) A computer readable medium encoded with a computer program 21.

including instructions for controlling the rate of an MPEG video stream to achieve a target bit

rate, said instructions comprising, when executed by a processing device. The medium of claim

18 wherein step b) further comprises the steps of:

computing a rate reduction factor: a)

computing a quantizer scale, wherein computing said quantizer scale comprises:

i) calculating a cumulative distribution function for each macroblock in a

current frame,[[;]]

initializing a quantizer multiplier array,[[;]] ii)

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> setting the quantizer scale for each macroblock in a current frame,[[;]] iii)

calculating a quantizer multiply for each macroblock in the current iv)

frame\_[[;]] and

setting a quantizer scale code for each macroblock in the current frame; vi)

and [[.]]

applying the results of steps a) and b) to an encoder to achieve said target bit rate; ¢)

and

repeating steps a) to c) for a plurality of frames in said video stream.

22, (Cancelled)

(Previously Presented) A system for controlling the rate of an MPEG video stream to 23.

achieve a target bit rate, said system comprising The system of claim 22 wherein means for

computing a rate reduction factor comprises:

means for computing a rate reduction factor, wherein the means for computing the a)

rate reduction factor includes

means for setting said rate reduction factor and a rate increase variable to i)

0,[[;]]

means for adding the size of a current frame in a frame buffer to a total ii)

size variable,[[;]]

iii) means for adding the duration of the current frame to a total delays

variable,[[;]]

means for calculating a current value of the number of bits in a video iv)

buffer [[;]]

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v) means for increasing said rate reduction factor if the current value of the number of bits in the video buffer is less than the lower threshold, [[;]] and

- vi) means for increasing said rate increase variable if the current value of the number of bits in the video buffer is greater than the upper threshold:[[.]]
  - b) means for computing a quantizer scale;
- c) means for applying the results of steps a) and b) to the encoder to achieve said target bit rate; and

repeating steps a) to c) for a plurality of frames in said video stream.

- 24. (Original) The system of claim 23 wherein said means for computing a rate reduction factor further comprises:
- vii) means for calculating a rate reduction factor for said current frame if needed, otherwise setting a value for a channel bit rate.
- 25. (Currently Amended) A system for controlling the rate of an MPEG video stream to achieve a target bit rate, said system comprising: The system of claim 22
  - a) means for computing a rate reduction factor;
- b) means for computing a quantizer scale, wherein said means for computing a quantizer scale comprises:
- i) means for calculating a cumulative distribution function for each macroblock in a current frame,[[;]]
  - ii) means for initializing a quantizer multiplier array.[[;]]
- iii) means for setting the quantizer scale for each macroblock in the current frame.[[;]]

- iv) means for calculating a quantizer multiply for each macroblock in the current frame,[[;]] and
- means for setting a quantizer scale code for each macroblock in the current frame;[[.]]
- c) means for applying the results of steps a) and b) to an encoder to achieve said target bit rate.